EXHIBIT 40

International Conference Call
JBS
4th Quarter 2009 Earnings Release
March 8, 2010

Operator: Good morning ladies and gentlemen and thank you for waiting. At this time, we would like to welcome everyone to JBS' 4th Quarter Earnings conference call. Today with us we have Mr. Joesley Mendonça Batista, CEO; Mr. Wesley Mendonça Batista, JBS USA CEO; Mr. Jeremiah O'Callaghan, IR Officer, Mr. Marcos Bastos, Financial Director and Mr. Guilherme Arruda, Investor Relations.

We would like to inform you that this call and the slides are being broadcast in the internet at the Company's website: www.jbs.com.br/ir and that the presentation is available to download at the investors information section.

Also, this event is being recorded and all participants will be in listen-only mode during the Company's presentation. After the JBS' presentation, we will initiate the Questions and Answers section.

Before proceeding, let me mention that forward-looking statements are based on the beliefs and assumptions of JBS' Management, and on information currently available to the Company. They involve risks, uncertainties and assumptions, because they relate to future events and therefore depend on circumstances that may or may not occur in the future.

Investors should understand that general economic conditions, industry conditions and other operating factors could also affect the future results of JBS and could cause results to differ materially from those expressed in such forward-looking statements.

Now I will turn the conference over to Mr. O'Callaghan, the IR Officer. Mr. O'Callaghan, you may now begin your conference.

Mr. Jeremiah O'Callaghan: Thank you very much, thank you and good morning everybody. It is a pleasure to be here again to present the earnings for the last quarter of 2009 together with Joesley Batista, Wesley, with Mr. Bastos and with Guilherme Arruda.

As was mentioned, we have a presentation which we will follow as we speak and I will mention page numbers to help people follow the script with our speech

here and we start looking at the cover of presentation we have put out this morning, which on the very first page has a graph demonstrating the growth of JBS over the last decade and there is a message on that which says “JBS remains a growth company”.

We think this is an important point to make right at the beginning of our presentation before we speak about the Company, about the market, about the numbers. Our message to the market is that we continue to be a growth company and we have put that on the cover of our presentation to highlight this.

Going to page 2 of our presentation I am just going to repeat briefly what was said at the introduction. We have a disclaimer and we would recommend all of you whoa are listening to us today, accompanying us today, please read the contents of that disclaimer and take into account that there are projections and recommendations that we make as we go through this presentation, but this should be seen in the light of the disclaimer on page 2.

On page 3 of the presentation as is our custom at each call we like to mention to the market the values of the company. We think these values are important, we try to live them every day and we would like that those of you that participate in the company in some way or that have interest in the company know that we carry these values with us within and without the company, all of us, and they are excellence; planning; determination; discipline; availability; openness or frankness; and simplicity. These are values that we have developed within the company and that we have discussed a lot at the management level and that we put a lot of emphasis on them each time we go to the market.

On our agenda today we have five different chapters: we start looking at a market overview … sorry, we start looking at the company overview and then we go to a market overview; we will then look at the highlights of the last quarter of 2009; we have some comments to make regarding the short-term outlook for the company, particularly related to synergies; and then we have the final considerations before we close for Q&A.

So to start on page 6 again, referring to page 6 of our presentation: “JBS S.A. at a glance”. Company founded in 1953 in central Brazil, so it is a company which is 57 years old. We did an IPO in 2007 in Brazil, in what we call the *Novo Mercado*, under the ticker … we trade under the ticker JBSS3. We a have level I ADR program in the US under the ticker JBSAY.

We are today the leading animal protein company in the world, with production platforms and South America, in North America, in Europe and in Oceania, specifically in Australia. We have got 125,000 employees around the world with

revenues expected to be in the region of US$ 30 billion in 2010 and with a market cap of R$ 22 billion.

On page 7 we have a glance of how the company has grown over the last 14 years primarily through acquisitions, through acquisition opportunities that we felt would bring value to our company, where we saw opportunities to turn operations around initially in Brazil.

And basically JBS has developed the ability to continue to implement the same policy as we grow, primarily through acquisitions, through turning companies around; through reducing costs and being more efficient; through internal factors: we tried to make our company more efficient rather than through any market-related movements.

On page 8 the Ebitda growth related to the acquisitions and to the performance of the company in the last decade (from 1999 to 2009), consolidated average growth rate of 58% and again that is an ongoing trend. JBS remains a growth company.

On pages 9 and 10 we talk a little bit about the strategy of the company and what we have done particularly in the last five years and what our plans are for the next four, five years.

While Brazil in 2005, 2006 was a positive market to raise capital through expansion, we did that in Brazil with this strong real and we were able to expand our production platform outside of Brazil through 2007 and 2008, building substantial production platforms in South America, in North America, in Australia and in the European Union, all during that period of time.

What we have been doing since last year, we have been expanding and growing out our distribution platform, also basically in South America and in North America. We initiated this process in Brazil last year and we are expanding in in Brazil and expanding in in North America.

And then as we move forward – and looking at page 10 of our presentation - we plan to customize our products more, add more value to our products and eventually brand our products more and all of that with a view towards improving margins and improving the performance of the company.

On page 11 of the presentation we have the corporate structure of the Company. We think at the time when we have made significant movements towards the end of last year it is important to demonstrate what the structure of the Company is today.

We have a controlling holding company which has 59% of JBS S.A., 41% in the market; and then JBS S.A. has 75 to 80% of shares in JBS USA, the balance being related to convertible debentures which were issued recently of between 20 and 25% of the value of JBS USA, which in turn owns 64% of Pilgrim's Pride Corporation, the other 36% being in the market.

On page 12 - and again, these are the shareholders of JBS S.A. in Brazil - the controlling holding company has 59%; BNDESPAR 19%; and then between others and foreign investors with 10% each and 1% of individual shareholders.

Just to detail a little bit more our global production platform, on the slide of page 13 we have have broken down each platform and I am just going to go through the numbers briefly: in Brazil 61 production units, 61 factories operating today, almost 45,000 employees with a capacity to harvest almost 44,000 head of cattle per day - and I think it is important to mention that a lot of these production units are related towards adding value to many of the items we produce of the beef cattle we harvest from processing hides, to producing petfood items, to converting tallow or grease into biodiesel. It is quite a diversed production platform, adding quite a lot of value to many items that we harvest of cattle.

In the rest of South America, between Paraguay, Uruguay and Argentina we have got 8 production units, more than 6000 employees with a harvesting capacity of more than 8,000 head per day.

In the USA - and in this presentation we broke it down into JBS USA, which includes Australia … sorry, it does not include Australia here … JBS USA and Pilgrims Pride, JBS USA with 16 production units, almost 25,000 employees producing beef cattle, pork products and in this case lamb items with a capacity for 20,600 head per day of cattle; more than 48,000 head per day of hogs; and 4,500 head per day of lamb.

And then Pilgrim's Pride which has 37 different production units with almost 40,000 employees and with a capacity to harvest more than 7 million, about 7.2 million chickens per day.

JBS Australia, 10 production units, 7,000 employees, the largest beef producer in Australia with capacity to produce 8,700 head per day and the largest lamb producer also, with the capacity to harvest 20,000 lambs per day.

In Europe, in a joint venture between JBS and the Cremonini Group, Inalca JBS has 8 production units , 3,500 employees with a capacity to harvest 3,000 head per day.

That adds up to 140,000 … 140 production units worldwide, 125,000 employees and capacity to harvest more than 92,000 head of cattle, 48,000 hogs, 24,500 lambs and 7.2 million chicken.

Moving forward in our presentation and making reference to page 15, where we talk a little bit about highlights, market highlights and particularly looking at it that JBS S.A.'s point of view, we have seen a good performance in the domestic market in Brazil.

At the time other markets were not performing as well, Brazil has been robust, growth has been good in Brazil and our participation in the Brazilian market has been growing and we continue to see opportunities to export more into the emerging markets where there are growing middle classes and we are quite bullish about international trade this year and ongoing.

We think we will see substabtial growth in 2010 and ongoing and particularly in relation to the recovery of the US exports and exports out of the US and I would say for all the animal proteins, on the major animal proteins (for beef, pork and poultry) we see growth - and substantial growth - and numbers which were … have come to the market, particularly in relation to beef from the USDA recently, also are aligned what we believe in relation to these markets.

We see continuing decline in animal protein production in Europe, which indicates the probability that Europe will be more dependent upon exports and definitely will not be a competitor at the export level out of Europe, and … supply auction is becoming more restricted and as the demand for animal protein increases, we continue to see a trend towards barriers being less frequent in our day-to-day business and tariffs reducing as well.

We have seen this quite a while in some of the Middle Eastern countries, where import duties have been reduced and in some cases have come down to zero because of strong domestic demand and because of the fact that these countries cannot obtain duties on some of their imports anymore because of their dependence upon these imports.

On page 16 we have an interesting slide from the food and agriculture organization which has done a study to indicate continued strong growth in the meat sector through 2050 and that is our belief as well, and that is part of the reason why we built the production platforms where we built them: because we

do believe that demand will continue strong, the international trade, which is one of our specialities, will continue to play an important role in the future of our company.

Now on page 17 a look at the Brazilian exports. They have declined for the last two years and particularly to Europe because of restrictions imposed by Europe upon Brazilian exports. But at the same time we see margins improving in Brazil and that is obviously an indication that the domestic consumption, the robust consumption we mentioned, is compensating for the lack of exports and as Brazil's herd begins to increase again - it is in a positive cycle in our opinion - we believe that the domestic consumption will remain strong in Brazil, but exports could recover gradually as well, particularly exports to the European Union as more properties in Brazil are audited and approved for the production of cattle for exports to Europe.

On pages 18 and 19 and 20 we have the data in relation to US exports. First beef on page 18, where we see what happened with an incident of mad cow disease at the end of 2003. All that jeopardized trade and all that trade has been recovering since then and we believe there will be a substantial step up in 2010 and 2009 did not perform very well, but more for macroeconomic reasons than for anything related to our sector specifically. We believe there will be strong growth into good markets in 2010.

Pork exports declined also in 2009, primarily pork exports directed to China, as we can see as we compare 2008 with 2009 and again we are believers that exports of pork products they have already started the year positively and we think that 2010 will perform well and we will see recovery and growth in relation to the numbers for 2008.

Chicken products there has always been exports of substantial volume of margin in this sector. We believe that strategically the US is moving towards exporting more value-added products and we think that more revenue will be generated through exports of items to markets that will pay higher prices and the export component in the revenue base of the chicken companies in the US in our opinion will become more and more important as we move forward.

And then on page 21 again just a close on this issue of international trade and again referring to the Food and Agriculture Organization. I think it is important to highlight that the Food and Agriculture Organization recommends a per capita annual consumption of about 80 kg of animal protein (the average today in the world is about 42 kg) and a lot of that is related to income and as income has improved we believe that gap that will gradually close.

Moving on now to talk little bit about the specifics related to the last quarter of 2009 and our results. We generated a net profit of almost R$ 128 million in the last quarter. In 2009 we had a net revenue of R$ 34.3 billion, which represented more than a 13% increase year on year.

Our Ebitda for the last quarter, consolidated Ebitda for the last quarter increased almost 50% when compared with the same quarter in 2008, from R$ 266 million to almost R$ 399 million and the margin for that period went from 2.8% in the last quarter of 08, doubled to 5.4% in the last quarter of 09.

Other highlight in the quarter was the completion of the merger with Bertin here in Brazil and as we mentioned earlier the acquisition of the controlling interest in the Pilgrim's Pride Corp. in the US. As we take into consideration this merger and this acquisition on a pro forma basis, net revenues for 2009 would have been more than R$ 55 billion and that would have been 82% higher than net revenues in 2008; and on the same pro forma basis Ebitda for 2009 would have been more than R$ 3 billion, which represents 164.5% increase over the previous year.

Looking specifically at net revenues and Ebitda and Ebitda margins, on page 24 of our presentation we have in a graphical form 13.1% increase year on year of our revenues and margins going from … consolidated margins gowing from R$ 1.15 billion to almost R$ 1.3 billion within and Ebitda margin remaining practically stable consolidated from 3.8 to 3.7%.

Breaking it down by business units and speaking firstly about JBS USA, beef business - which includes Australia - revenues in the last quarter were similar to the previous quarter, which when we take the seasonal effect into account represents an improvement. Margins increased substantially. Ebitda increased substantially from just over US$ 100 million to US$ 126 million, 3.8 to 4.5%.

Our pork business in the US also had an increase in its revenues and in its Ebitda and its Ebitda margin from 2.7% to 4.7%, US$ 15.3 million to almost US$ 29 million, with revenues going from 559 to US$ 606 million.

In relation to our European operation, INALCA JBS, a change in our revenue base; a decline in our Ebitda, but always within that range of about 5 to 6%, which is the traditional range for our business in Europe.

In South America again the revenue quarter on quarter remained relatively stable, but margins increased. We had our Ebitda going from just over R$ 47 million to R$ 112 million and the margin going from 2.9 to 6.6%.

Briefly on our debt profile on slide number 26 in our presentation, our leverage, net debt/Ebitda reduced from 3.3x in 3Q09 to 3.1x in the last quarter. During that period we raised US$ 2 billion in convertible debentures (which are convertible into JBS USA or eventually JBS S.A) and the company's cash position today is sufficient to cover practically entirely all of our short-term debt and our current assets exceeds our current liabilities by almost 50%, thus demonstrating the liquidity of the Company's balance sheet.

We can see looking at the debt profile the leverage as it evolved over the last 6 quarters and the debt profile in terms of short and long-term debt. There has been very little change in 2009 in relation to 2008 in terms of the profile of the debt.

On page 27 of our presentation again comparing 2008 with 2009, we do see that there was a decline in exports primarily because of macroeconomic issues. Our portion of revenues from exports declined from one-third to just under one-quarter of our total revenue. We believe that in 2010 we will see an inversion of that cycle and we will see substantial growth of our export business again.

And I think it is important to highlight also that regardless of the decline in exports we were able to improve performance basically through improving our penetration in the domestic market ahere we operate particularly in Brazil.

Exports by destination are compared on page 28. Exports went from US$ 5.6 billion to US$ 5 billion year on year. Interesting to highlight that exports grew to countries like Japan, value-added markets and markets which are important strategically for their high-quality cuts and … were maintained and in some of the other markets there was a decline in exports and to Mexico in the period, which is probably the highlight in terms of where market share was lost: Mexico going from 18% in 2008 to 8% in 2009 of JBS exports, Japan going from 9% up to 13% in the same period.

A brief mention related to short-term outlook, particularly related to the question of synergies related to the acquisition that we announced towards the end of 2009. We would like to update the market at this time that Pilgrim's Pride (we can accompany these numbers on page 30 of our presentation) Pilgrim's Pride having made the acquisition we have already captured US$ 95 million in synergies basically through initiatives in personnel, transportation and in the packaging supply departments. We envisage capturing a further 65 million by midyear, principally through G&A, exports and efficiencies in logistics and we repeat here what we said earlier, that we estimate total annual synergies to be between 200 and US$ 300 million.

At the bottom of this page interesting to look at the performance of Pilgrim's Pride shares in the period January 2009 until last week, until March 1, 2010, and we have made observations as to when JBS announced the acquisition and when we did the closing and how the market has reacted to that over that period of time.

On the next page, on page 31, a look at the synergies in relation to our Brazilian merger with Bertin. By the end of this month, by the end of this quarter, we will have implemented R$ 145 million - and again in areas similar to the areas in the US - but primarily, initially in packaging, industrial processes formulation and corporate level.

We envisage further US$ 100 million … excuse me, R$ 100 million in synergies to be realized over the coming six months and particularly in the corporate area and in our export business and again, just to repeat what we said earlier, that we envisage a total of R$ 500 million of annual synergies related to the merger with Bertin as of 2011.

Now we go to our final considerations before we open for Q&A and again to highlight what we said at the beginning: JBS remains a growth company. This is something we cannot forget at a time like this.

Our focus right now is on synergy gains through the integration of Bertin in Brazil and with Pilgrim's Pride in the USA. We continue to build out our distribution platform to add value to our products and to expand our margins.

We continue to have a commitment to the Company's financial health and the reduction of the financial leverage maintaining a strong position and finally having taken the Company public, having elevated its corporate governance, JBS is now focused upon the financial fundamentals to take the company to Investment Grade in the near to medium term.

With that we finalize our presentation today. We thank you very much for your time and attention and we now turn it over for Q&A. Thank you.

Q&A session

Operator: Thank you. Ladies and gentlemen, we will now initiate the Question and Answer section. If you would like to ask a question, please press star one (*1). If at any point your question has been answered, you may remove your question from the queue by pressing star two (*2).

Excuse me. Our first question comes from Mr. Eric Ollom with Jefferies.

Mr. Eric Ollom: Yes high, good morning gentlemen, congratulations on the results and the completion of all your deala. I just have basically two questions and one is just in Brazil, the JBS Brasil business, the margin for the year was a little bit less than 8 and for Bertin it is about 10. I know that there are some differences in the business mix and Bertin includes the Uruguayan operation, the leather.

Could you just tell us how going forward in this consolidation, in this synergy, what you can do to make the JBS margin look more like the Bertin margin? That is the first question.

And then the second one is can you just elaborate a bit on your commentary about Investment Grade in the near term, near to medium term; does this presume an IPO, if so when? If you can just elaborate a bit on the measures that you are going to take as well as the timing. Thank you.

Mr. Joesley Batista: Ok, here is Joesley. The margins in Brazil will keep improving. We are confident to be running double digit in a year term in a consolidated basis.

About improving the perception, the risk perception about JBS, what we are focusing here is that after mitigating the sanitary risks through diversifying the platforms; after becoming a public company; after becoming a global company; after diversifying with poultry and pork; after … and here in Brazil for example in the dairy business through Vigor; after verticalizing more the operation through the leather; improving significantly the governance of our company; we will be focused now on changing the risk perception because ... and one of the steps that we will be following is to decrease the leverage of the company below 2x. We have been generating positive cash flow in the last quarters and so we think that we are ready to start improving our risk perception.

Mr. Ollom: Ok and Joesley, do you have a specific target data or net leverage number for the end … by the end of 2010 that you can share with us? I know you have talked about 2x in the past and does it basically mean that other than small acquisitions perhaps in Brazil the big M&A movement is done for now?

Because as a credit guy one of the considerations is who do you buy next, how is it going to be financed. I think maybe for the rating agency perspective that is probably why they have been a bit more reticent on the rating here today. If you could just comment but on that.

Mr. Joesley Batista: Ok. We have … we will be focused on the fundamentals, based on the fundamentals to become Investment Grade. I hope we will become ready this year. If we will have the consideration or not I do not know.

Mr. Ollom: Ok understood. Ok thank you very much and congratulations again.

Operator: Excuse me. Our next question comes from Mr. Ken Zaslow from BMO.

Mr. Ken Zaslow: Hi, good morning everyone. Can you hear me?

Mr. O'Callaghan: Good morning Ken, good morning. Yes we can hear you.

Mr. Zaslow: Ok. I just wanted to talk a little bit about the US beef margins. Again, they seem stronger than they have been historically. Can you talk about why they are so counter seasonal, if there is something going on in the industry that we can point to? And then can you give a little bit of your outlook for the industry as well?

Mr. Wesley Batista: Hi Hen, this is Wesley. So basically the margin have been improving over the last two years, so when you look our margin - I am talking about our margin - when you look our margin from 2008 till now we have been improving margin and it is not one single point that I can mention to you that this margin has been improving, it is a confirmation of factors.

We have been mentioning that we are optimistic about the exports for the US. We have a better competitiveness now to export. So a combination of what we are doing internally in JBS since we acquired Swift that is reducing costs, improving our operation, plant efficiency and improving our exports, our mix. We are doing a better job in our sales. So this is the combination of factors that put the margin better.

Mr. Zaslow: Ok. Which exports market have you become much larger in and to what extent have you seen a change in your export market?

Mr. Wesley Batista: For sure, Ken, Japan is a market that we are doing much better compared to what Swift used to do. When you look in our presentation, our participation, our sales participation in the exports, we grew a lot to Japan. That is a market that has some premium in the price in the products that we sell.

Markets like Russia we are doing a better … more volume and a better job that Swift used to do. Korea for sure, after Korea reopened the market last year we are increasing every month our volume to Korea. So this is the main markets.

Mr. Zaslow: Great, thank you very much.

Mr. Wesley Batista: Ok Ken.

Operator: Excuse me. Our next question comes from Ms. Thais Alalaya from Credit Suisse.

Ms. Thais Alalaya: Good morning, thanks for answering my question. How do you expect to refinance your short term debt in 2010 and your amortization at least for 2011? How do you plan to fund that?

Mr. Joesley Batista: Hi this is Joesley. Our working capital is being financed by the commercial banks here in Brazil. We have some bonds in the market and we think that it will keep being by the same way. The working capital through commercial lines, commercial credit lines and investment through equity or long-term debt.

Ms. Alalaya: Ok thanks and just to follow up on an earlier question: if you are planning on shooting for Investment Grade rating this year that means you will not pursue any further acquisitions at least for 2010? Can we infer that?

Mr. Joesley Batista: Yes, actually we have been focused on the conditions to have a better grade. We are focused on deleveraging the company; increase the corporate governance; keep the financials in place; generating positive cash flow; and when we make an acquisition try to clarify as most as possible the reationale of the acquisition; deliver the integration; deliver the synergies and I do not believe that a company needs to be penalized to acquire or to grow.

Ms. Alalaya: Ok thank you.

Operator: Excuse me. Our next question comes from Mr. Pedro Herrera from HSBC.

Mr. Pedro Herrera: Hi gentlemen, good morning. Can you give us more update on your potential JBS USA IPO in terms of timing, maybe structure and amount you expect to raise?

Mr. Joesley Batista: Pedro, actually we are now ready with the papers, the documents, because we are making the numbers public today. As everybody

can see in our numbers, the idea to raise money is not to debt and it is actually to keep growing, to finance the growth. So after saying this the market became worse and this last period and we will make a deal as we consider we have a good market environment.

Mr. Herrera: Ok thank you.

Operator: Excuse me. Our next question comes from Mr. Alessandro Arlant from Merrill Lynch.

Mr. J. C. Santos: Hi good morning, actually this is J. C. Santos, I have just jumped into Arlant's line. Just a quick question on Bertin's numbers. If you compare the numbers that they had reported in 3Q and now this balance sheet for 4Q we have seen that the cash position came down from 1.5 billion to 120 million and the gross debt did not change that much, so the net debt came from 4.1 to R$ 5.4 billion.

Do you have any kind of explanation for that? Why did the cash reduce so much? Was there any type of dividend payment here in the company? Just checking on that. Thank you.

Mr. Joesley Batista: Ok, it is Joesley again. First, we did not think that the combined company needed to have so much cash, so we decreased the cash position and we took many … we made many changes in the operation here, for example we changed to buy all the cattle in cash for example, and many other things like these about terms in the sales side, about terms in the buy side. It is a summary.

Mr. Santos: All right Joesley, thank you.

Operator: Excuse me. Our next question comes from Ms. Sarah Aslam from Stephens Inc.

Ms. Sarah Aslam: Hi good morning.

Mr. O'Callaghan: Hi Sarah.

Ms. Aslam: Hi. Could you give us a greater color on Packerland margins given the decline in dairy cattle slaughter? Is the margin in fed cattle adequate of such lower volumes in dairy cattle?

Mr. Wesley Batista: This is Wesley. No, the margin in Packerland plant is very, very similar to the margin. So average you can consider that the fed cattle

plants and the ex-Packerland plants the margin is pretty much consistent, both in the fed plant and in the cow plant, even we are seeing some decline in the dairy cows. But you remember that we do in this plant that we acquired from Smithfield we do not only cows, we do cows, (inaudible 47:17) and also some fed cattle.

Ms. Aslam: Ok and then in the past you have mentioned potentially increasing production at Pilgrim's Pride, particularly in opening up a new facility or re-opening some of the facilities that were closed. Could you just update us on that front?

Mr. Wesley Batista: Sarah, like we have been mentioning we believe that the emergent markets they are growing fast and they still grow in high numbers. So we believe that these emergent markets will increase their demand for protein and we think, we believe that chicken will benefit from this increase in demand. We mentioned, Don Jackson mentioned in Pilgrim's Pride call that we plan to reopen a plant and this is true, we are working to finalize this decision. So we expect to reopen one Pilgrim's Pride plant before year end.

Ms. Aslam: Great, thank you very much.

Mr. Wesley Batista: Thank you.

Operator: Excuse me. Our next question comes from Mr. Luiz Cesta from BES Securities.

Mr. Luiz Cesta: Hi, good morning everyone. I would like to understand a little bit about what is going to be the level of investments for 2010 and if you could give us the breakdown in terms of regions and proteins maybe it would be pretty good. Thanks.

Mr. O'Callaghan: Thank you Luiz. Wesley, could you take that please?

Mr. Wesley Batista: Yes. Basically your question is about Capex, is that right?

Mr. Cesta: Yes.

Mr. Wesley Batista: Ok. Yes, our budget, our Capex budget for 2010 in the USA (that includes Australia) we expect US$ 225 million, 225 and Pilgrim's Pride is around US$ 150 million.

Mr. Cesta: And in terms of consolidated numbers, do you have any color about that?

Mr. Wealsey Batista: Joesley will answer this question, it will be better.

Mr. O'Callaghan: … our Financial Director will take up that question.

Mr. XXX: Yes. We are finalizing the numbers here because of the integration of the Bertin operations. We did spend quite a bit of Capex at the end of last year to finalize and put all the plants in production. So we will probably see, as far as Capex for fixed assets the number will probably decrease from the number we had in 2009, but there will be an increase in working capital because of the new plants that will come online in 2010. I do not have the final numbers here with me, but I can send it to you by e-mail later on.

Mr. Cesta: Ok thank you very much.

Operator: Excuse me. Our next question comes from Ms. Christina McGlone from Deutsche Bank.

Ms. Christina McGlone: Thank you, good morning. Wesley, the beef cutout has been very strong, particularly now which is unusual for the season and I think a lot of that as driven by beef, by ground beef and the fact that we are not seeing a lot of imports; so I wanted to get your view on what is going on with respect to beef imports and how sustainable is the cutout at this level?

Mr. Wesley Batista: Christina, basically we think the cutout is sustainable for a couple of reasons: like you mentioned, the import volume is coming down in the US basically because you have less beef available. When you look the Australian production it is not very strong, Australia has been quite short in cattle supply.

So we expect that we will not see an increase in imports in the US. We will continue to see decline in imports to the US and we believe that the cutout is pretty sustainable at these levels.

Ms. McGlone: Ok thank you and …

Mr. Wesley Batista: And you remember that we are getting close to the season that we have less protein consumption, so we are getting close to the summer time that is normally and usual to see protein consumption increasing.

Ms. McGlone: Great, ok thank you and Jerry I do not know if I misunderstood your comments on chicken exports; did you say chicken exports would be up

this year? Because I know the USDA is modeling them down and I was not sure if that was a difference of opinion or if I misunderstood.

Mr. O'Callaghan: With regard to volumes what we mentioned was that we do not expect volumes to increase, for we think that value will be added to the volumes that will be exported.

Ms. McGlone: Ok, so dollars might increase, but volumes …

Mr. O'Callaghan: We believe dollars will increase. If we look at some of the specific items which are being exported out to the US the average price per pound has been on the increase and if you look at the overall US chicken exports numbers, if I am not mistaken about 16 to 18% of the volume produced is exports, but that only generates revenues in the high single digit, basically meaning that the cheaper items that are exported, but that those items are gradually increasing in volume and if there will be no increase in volumes there should be an increase in revenues just to the improvement of the average prices. That was the point I made.

Ms. McGlone: Ok and over on exports do you have any update on Russia or China on the chicken situation?

Mr. O'Callaghan: I will defer that to Wesley.

Mr. Wesley Batista: Yes, basically we are quite optimistic about Russia. So we saw the US and Russia agree about pork last week and we expect to see soon the agreement on chicken.

China is more complicated the issue, so we are not projecting about China, so we want to wait more to see more concrete things in China to give opinion on China. But Russia we are quite optimistic.

Ms. McGlone: Great, thank you very much.

Operator: Excuse me. Our next question comes from Ms. Carla Casella from JP Morgan.

Ms. Carla Casella: Hi my question also relates to the beef margins. I guess I am trying to get a sense for how much of your beef revenue comes from sales into the auto industry in the sense of being driven for this off-season improvement?

Mr. Wesley Batista: Sorry Carla, this is Wesley. I could not understand your question.

Ms. Casella: I guess I am wondering how much of your beef sales represent revenues that are sold into the auto industry. I guess I am thinking of the leather that was going to the auto industry.

Mr. Wesley Batista: Yes, basically, Carla, we sell hides for companies that process these hides and these companies sell to the automobile and to the furniture industry and shoes, so I cannot answer you exactly what is the percentage of our hiddes go to the automobile industry and to the other industries; but it is not a big, big portion in our total revenues, this is for sure.

Ms. Casella: Right. I would assume that some of the increase in this demand from this channel would have helped the margins and I was just wondering if you think that is sustainable.

Mr. Wesley Batista: Overall the hides price has been improving; but when you look at the hide price it is still below the highest levels in 2008, so we believe that the price for hides if sustainable. It is not because of the automobile industry; it is the overall market economy improving.

Ms. Casella: Ok great, thank you.

Mr. Wesley Batista: Thank you Carla.

Operator: Thank you. The Q&A section for analyst and investors is closed. I would like to turn the conference over to Joesley Mendonça Batista, the CEO, for his final considerations.

Mr. O'Callaghan: Wesley, could you make the final considerations here today?

Mr. Wesley Batista: Yes. Basically our considerations when you look JBS, when you look at our history we have been growing. We have been … all the acquisitions that we did we have been improving this business that we acquired in terms of revenue, in terms of margin. We are still optimistic about the future of our business.

We have been mentioning that we believe that overall we … a combination of reduction in supply for cattle, for hogs and for chicken and in the other hand the improvement and increase in consumption in the emergent markets we are very optimistic about our business, about the margin that we will see a strong

demand and this reduction in supply, so we believe that we will see some shortage in protein going forward.

The acquisition of Pilgrim's Pride and the merger with Bertin is going well. We are getting things better than actually we were expecting. So overall, like Joesley mentioned, we are … this year we will focus ourselves to improve our rating and the credit rating for JBS, we feel that this is important now.

So overall our business is going well. We expect to do better this year than we did in 2009 and we are quite confident that we will do better. So thank you very much all of you to be in our call and it is always a pleasure to be with you. Thank you.

Operator: Thank you. This does conclude today’s presentation. Thank you very much for your participation and have a good day.
